

SOCIALIST STUDIES

NO. 21

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OFFICIAL JOURNAL OF

**THE SOCIALIST PARTY OF
GREAT BRITAIN**

**Communications to: General Secretary, 71 Ashbourne Court
Woodside Park Road, London N12 8SB**

THE SOCIALIST PARTY OF GREAT BRITAIN

OBJECT

The establishment of a system of society based upon the common ownership and democratic control of the means and instruments for producing and distributing wealth by and in the interest of the whole community.

DECLARATION OF PRINCIPLES

THE SOCIALIST PARTY OF GREAT BRITAIN HOLDS:

1. That society as at present constituted is based upon the ownership of the means of living (i.e., land, factories, railways, etc.) by the capitalist or master class, and the consequent enslavement of the working class, by whose labour alone wealth is produced.
2. That in society, therefore, there is an antagonism of interests, manifesting itself as a class struggle, between those who possess but do not produce, and those who produce but do not possess.
3. That this antagonism can be abolished only by the emancipation of the working class from the domination of the master class, by the conversion into the common property of society of the means of production and distribution, and their democratic control by the whole people.
4. That as in the order of social evolution the working class is the last class to achieve its freedom, the emancipation of the working class will involve the emancipation of all mankind without distinction of race or sex.
5. That this emancipation must be the work of the working class itself.
6. That as the machinery of government, including the armed forces of the nation, exists only to conserve the monopoly by the capitalist class of the wealth taken from the workers, the working class must organise consciously and politically for the conquest of the powers of government, national and local, in order that this machinery, including these forces, may be converted from an instrument of oppression into the agent of emancipation and the overthrow of privilege, aristocratic and plutocratic.
7. That as all political parties are but the expression of class interests, and as the interest of the working class is diametrically opposed to the interests of all sections of the master class, the party seeking working class emancipation must be hostile to every other party.
8. The Socialist Party of Great Britain, therefore, enters the field of political action determined to wage war against all other political parties, whether alleged labour or avowedly capitalist, and calls upon the members of the working class of this country to muster under its banner to the end that a speedy termination may be wrought to the system which deprives them of the fruits of their labour, and that poverty may give place to comfort, privilege to equality, and slavery to freedom.

ALL ENQUIRIES AND APPLICATIONS FOR MEMBERSHIP TO...
The Socialist Party of Great Britain,
71 Ashbourne Court, Woodside Park Road, London N12 8SB

A MANIFESTO FOR FAILURE

The publication of the three articles below from our 1996 Summer School coincides with the release of the Labour Party's pre-election manifesto "New Labour, New Life for Britain."

Mr. Tony Blair said at the launch of his Manifesto:

"There has been a revolution inside the Labour Party. We have rejected the worst of our past and rediscovered the best."

In these three articles we show there has been no revolution inside the Labour Party. It remains now as it always has been, a capitalist political party set up to sort out or pursue the problems and interests of the British capitalist class.

In a future edition of Socialist Studies we will be looking at the Labour Party's Manifesto in some detail. At this moment we would like to comment on one of the Manifesto's claims and this is to get 250,000 under 25 year-olds off benefit and into work. This Labour claims it will accomplish by using money from a 'windfall tax' on the privatised industries. Such a pledge is worthless.

The unemployed exist because they are not profitable to employ. No employer, let alone a government, can predict how many workers they will or will not need. The labour market, like other markets in capitalism, is anarchic and unpredictable.

It does not matter a jot whether a worker has, for example, been trained in micro-technology or computer sciences, if there is no job in these areas of the labour market. Capitalists employ workers if, and only if, it is profitable to do so. If it isn't, they are either sacked or remain on the dole queue. There is nothing Labour or Tory governments can do about this state of affairs since all political parties of capitalism are powerless in the face of periodic trade depressions.

The only solution to the problem of unemployment is to create a society where there can be no unemployment, Socialism.

Labour, like the Tories, believe they can create a capitalist Utopia of crisis-free, steady growth. As the article 'Marx and Unemployment' showed (**Socialist Studies No. 20**), this belief is unfounded. Perhaps, like the cynics politicians are, they believe workers' attention span is similar to that of a goldfish.

The Socialist Party of Great Britain have long memories. We do not forget the history of past Labour administrations and their past failures to secure full or even low unemployment.

So we repeat what we have been saying to workers since 1904, a vote for Labour is a vote for Capitalism and for continuance of social problems peculiar to our class. It is in the interests of workers and the Trade Unions to have nothing to do with the Labour Party. Instead workers should become Socialists and not Labour supporters. They should join the SPGB. This is the most effective response to Labour's anti-working class Manifesto.

THE LABOUR PARTY: CONS AND CONTRADICTIONS

What does the Labour Party stand for? And whose interests does it represent? When you ask these questions and look at Labour's record (in and out of office) then you realize that the contradiction about Labour is its claim to represent the interests of workers against employers, of labour against Capital.

From the start, this was a fraudulent claim. When Labour stumbled into existence in 1900 as a pressure-group to represent union interests, it's policy was left for its MPs to decide. The only condition was that *"they must embrace a readiness to co-operate with any party which for the time being may be engaged in promoting legislation in the direct interests of labour, and be equally ready to associate themselves with any party in opposing measures having an opposite tendency."*

This meant that Labour co-operated with the Liberal Party in squalid, sometimes secret, electoral pacts. Just as in 1881 Engels had commented, in frustration: *"for nearly a quarter of a century the working*

class of England has contended itself with forming, as it were, the tail of the Liberal Party."

The early Labour Party was unclear as to what it stood for. Keir Hardie declared they *"did not want Toryism, Liberalism or Socialism - only Labourism."* But 'Labourism' meant nothing since these Labour MPs invariably voted Liberal, in support of the party representing the interests of industrialists.

It was not surprising that, in 1914, this opportunist party, lacking any shred of principle, at once announced its support for the war: *"The Head Office of the Party, its entire machinery, are to be placed at the disposal of the Government in their recruiting campaign"* (3 September 1914.) Later, as the slaughter in the trenches was not attracting enough conscripts, this 'Labour' party voted for conscription. Labour emerged from this bloodbath with workers' blood on its hands.

It might be asked what a working class party could have done to oppose the war? It could have declared, as we did, that as the war was not fought in workers' interests, it was no concern of the workers. We opposed workers being forced to slaughter each other. And we pointed out how the war situation was used *"to confuse the minds of the workers and turn their attention from the class war."*

Labour, however, recruited workers for the trenches and even took part in the government, helping the British capitalist class to win their war. This only confirmed that our earlier assessment of Labour was right:

"Like their brethren of the ILP, the Labour Party is concerned with place, not principles ... As regards working class interests, the Labour Party lacking any underlying principle are worthless, but in confusing the minds of the working class, they prove exceedingly useful to the capitalists."

SPGB Manifesto, 5th edn. 1911

Later, in government, Labour was to oppose the workers and the unions. Strikes were met with a declaration of a 'state of emergency' (1924), or the use of troops as blackleg labour (1945).

This was, and is, a Labour Party in name only. This its first, fundamental, contradiction.

"The Labour Party is a Socialist party and proud of it" (1945)

This claim to be a Socialist party is nonsense. In 1890 a proposal to declare Socialism as its aim was voted down by the ILP and TU representatives. Until 1918, *"the Labour Party had deliberately and repeatedly refused to adopt a formal programme because it did not wish to exclude non-Socialists"*, wrote a Labour MP (S F Markham, 1930).

Then in 1918 the Party acquired a Constitution, which included Webb's Clause IV which, as Markham noted *"definitely committed the party to Socialism without ever actually using the word."*

An extraordinary case of trying to have your cake and eat it! And the SPGB protested:

"How could a political party reach the curious position of claiming to want Socialism but at the same time deliberately excluding the word Socialism and seeking non-Socialist members?"

(SPGB Is Labour Government the way to Socialism? 1945)

The original version of Clause IV did include the phrase "the common ownership of the means of production", which superficial readers could take as a clear commitment to Socialism. However, Webb drafted this clause with the intention of leaving it open for Labour to choose any form of policy from co-operatives to nationalised industries.

Labour confused public, State ownership, or nationalisation, with 'common ownership', and increasingly drifted away from the idea of using nationalisation to reduce inequality towards the view that State-

run industries would be more efficient, more profitable.

When Attlee's postwar government brought in nationalisation of a few key industries they did this in order to modernise them, and with full compensation for the previous owners. This was emphasized in their 1938 programme: *"The public acquisition of industries and services will involve the payment of fair compensation to existing owners"* (quoted from SPGB **Nationalisation or Socialism?** 1945, p21.)

Clearly, capitalists would lose nothing, except the chore of trying to run the business. Compensation meant they could re-invest in new businesses and so continue exploiting workers.

In addition to confusing Socialism with nationalisation, Labour superimposed the Welfare State: the scheme devised by the Liberal, Beveridge during World War II as a way of motivating workers to win the war. National Insurance, pensions, a National Health Service and the promise of security "from the cradle to the grave": all looked very attractive.

But all insurance schemes have exclusion clauses. This one was limited to paying out whatever the Treasury felt "the nation" could afford. Nowadays, British capitalists feel they cannot afford the luxury of paying out for retired workers to go into state nursing homes, or for the unemployed to receive the same benefits as were paid 10 to 20 years ago.

Likewise, Labour feels it cannot afford the luxury of Clause IV. Gaitskill tried to get rid of it and failed. Wilson and Callaghan ducked the issue. Kinnock's strategy was to marginalise the Left, and the Militant Tendency played into his hands. Finally, Blair grasped the nettle and got rid of Clause IV, replacing it with a turgid, convoluted statement, full of ambiguity.

However, the original Clause IV of 1918 was not the Clause IV they finally got rid of. What appeared on party membership cards, until recently, was a different version which referred to *"the common ownership of the means of production, distribution and exchange."*

It is easy to show that this is meaningless. Where the means of production and distribution are owned in common there is no need for money or any other "means of exchange."

How this statement found its way into Labour's constitution is a mystery. It probably originated with the ILP's 1893 object: *"the collective ownership of the means of production, distribution and exchange"* (Paul Adelman - **The Rise of the Labour Party 1880-1945** (p22.)

Modern Labour regard Clause IV - any form of it - as an electoral liability. *"The all-embracing commitment to nationalisation in the infamous Clause 4 of Labour's 1918 Constitution gave the unfortunate impression that Labour favoured public ownership on principle."*

(Peter Mandelson and Roger Liddle - **The Blair Revolution** 1996 (p23.)

New Labour has now substituted a new Clause 4, which features capitalism - friendly phrases like *"the enterprise of the market and the rigour of competition."* According to Mandelson and Liddle, New Labour recognises that:

"Substantial personal incentives and rewards are necessary in order to encourage risk-taking and entrepreneurialism. Profit is not a dirty word - profits are accepted as the motor of private enterprise." (op cit p22.)

Labour is now a really respectable party, properly house-trained and not likely to frighten the Stock Exchange. But it was never a party of principle, even in the 1945 Golen Age, as Healey admits:

"Labour had no systematic ideology, and in government its programmes did not draw on any agreed body of socialist doctrines."

(Denis Healey **The Time of My Life** p579.)

New Labour "is a democratic socialist party" (1966)

We have shown that Labour' claims to be a party of the workers and to be a Socialist party are fraudulent. It is also not a democratic party, it never has been.

Most key decisions have been taken by a small group close to the leader. The idea that conference decided Labour policy was a cynical farce. For generations, Labour Conference decisions were decided by a handful of trade union leaders, casting their "block votes", regardless of what their members thought.

The Labour leadership found this convenient, as they had a low opinion of the Party members. Healey quotes Sydney Webb's contemptuous comments:

"The constituency parties are frequently unrepresentative groups of nonentities, dominated by fanatics and cranks, and extremists; if the block vote of the Trade Unions were eliminated it would be impracticable to continue to vest the control of policy in Labour Party Conferences."

(Healey, op.cit.p156-7.)

This elitist arrogance persists. Policy is no longer to be decided by the elected National Executive Committee which is seen as "a bunch of second-rate trade union representatives and a few token Left-wingers" (**Sunday Telegraph** 2.6.96). Instead, the unelected policy forum, meeting behind closed doors, has hatched Labour's next election plan and announced this prior to Conference.

The Labour Party has over the years, in and out of the office, done its level best to show that it is **not** the party of the workers - it always puts the 'national interest' first; that it is **not** a Socialist party - the abolition of the wages system has never been on its agenda; and, whatever its claims, it is obviously **not** a democratic party. Its sole function is in "confusing the minds of the workers", in the interests of the capitalists, as the SPGB stated, back in 1910. New Labour is no better than 'old' Labour.

STAKEHOLDER SOCIETY OR STOCKHOLDER'S SOCIETY

For many years, members of The Socialist Party of Great Britain have been criticising the Labour Party, with its Socialist label, pointing out that the infamous Clause 4 had nothing to do with Socialism. 17 years in opposition with a variety of leaders, we now have to deal with a new leader and a new Labour Party. Gone are the old slogans; gone the claim to be the party of the working class; gone so many of the so-called 'left wing' characters. We now have to deal with a bunch of 'yes' men and women who form the shadow cabinet, and an organisation that is strong on generalities but weak on detail. One of the generalities we have to deal with is that of the Stakeholder society, which was launched by Blair with a flourish, but seems to have been put on hold for some time. It is reported that this phrase was pressed upon Blair as a popular move by Will Hutton, now editor of the Observer. When it was launched, little detail was given as to what it meant; it's a catchy phrase, but one that has little to do with the system of capitalism under which we live.

According to the Dictionary, the word - stake - has the following meanings: "a piece of wood or metal, of varying length, one end fashioned to a sharp point." Alternatively a stake can be "a bet", an amount of money placed on the outcome or result of a sporting event, or even the result of the next General Election. So if we add the word 'holder' to 'stake', then a stakeholder can be a person holding a dangerous instrument, or a bookmaker holding a bet pending a result.

Blair obviously had none of these in mind when he floated what he hopes will be a vote catcher. He must have meant that a Stakeholder would be an individual and that he or she would enjoy some material part of and benefits from society. That sounds good, and is in some respects an accomplished fact for some workers. When Mrs. Thatcher embarked on her extensive programme of privatising those industries previously nationalised by Labour governments, caused a vast number of people, for the first time in their lives, to own a few shares in a public limited company. As some have seen a good return on their original investment; others have lost money. Now that nearly all the nationalised industries have gone to the market, another possibility will be workers owning a few shares in a given company. There are a

number of companies who run schemes whereby their employees are granted shares at reduced prices, either through savings plans or bonus settlements. But these schemes only touch a fringe of the working class and something else must be formulated to give the stakeholder a real asset.

One avenue to convince workers that they are stakeholders in Great Britain, plc is to find work for them. At the present time there are over 2 million people whose every day life centres around the dole, and for many of those in work, one of their main concerns is the question of job security. New Labour are not alone in wanting to deal with the question of unemployment, although they are taking a more cautious approach to it than did the Labour party of old. No longer do we have the promise of 'full employment' which was a rallying call for many years. No longer do we witness those demonstrations organised by the TUC demanding the 'Right to work.' Now the talk is of work-sharing, the mobility of labour, but above all the need for good education and training. Gordon Brown, shadow Chancellor of the Exchequer, talks of a 'learning as you earn plan', and his plans for the abolition of child allowances for the 16-18 year olds (a saving of some £700 million) would be used to set up and run training schemes for young people. But no training scheme can guarantee you a job at the end of the day. This will depend upon the profitability of capitalism.

With a view to appealing to the stakeholders of the future, New Labour has identified education as one of the issues that may sway the outcome of the next election. Most parents are concerned about the quality of the education their children are receiving, and from statements issued by the Directorate and Investigative Boards, there is plenty that needs attention. The number of children unable to read or write at a standard comparable to their age, gives cause for concern. Some of the trendy teaching methods are not only viewed with suspicion, but have now been discarded, to be replaced by systems that were once anathema to the Labour party. Recently at Didcot, Blair promised to reform the comprehensive system, saying that mixed ability schools, the hallmark of such a system, should not be regarded as fixed, but that selection could be an option based upon pupils' academic ability or parental choice. He said Labour would not be antagonistic towards Grammar Schools, and that equality must not

be the enemy of quality. This policy turn about has angered many of the teaching unions, and Nigel de Gruchy, leader of the National Association of Schoolmasters/Union of Women Teachers, said ... "It sticks in my gullet to be lectured by the Labour leader on the dangers of the mixed ability approach." For years it has been stressed that workers in France and Germany receive a better education than workers in this country, and yet unemployment in both of these countries is far higher than in this country."

A more imaginative description of a 'stakeholder society', and one that is held by Labour members and supporters, is that New Labour will be able to run capitalism in a more efficient and harmonious way than the Tories. In a way where opportunity is available to all stakeholders; in the words of Mr. Blair: *"where the country needs entrepreneurs; people who are going to go out and be wealth creators, and who are going to become wealthy by their own efforts."*

This is but another re-run of the old capitalist saying, that if you work hard enough, you can become wealthy. To us in the SPGB wealth is created by the exploitation of the working class, as they produce commodities and services for sale on a world market, with a view to profit. If there is no viable market, then the creation of wealth falters. Blair's concept of wealth creation and distribution fits awkwardly on a recent statement by Mr. Meacher, another shadow minister, who said: "the aim of the next Labour Government is to redistribute wealth and power in favour of working people." To readers of the Daily Telegraph, this was nothing more than a return to the class struggle and class war. Leaving for the present, individual aspects, the Stakeholder society was defined in a recent article in the Daily Telegraph by David Blunkett, shadow education minister. He was replying to an examination by that paper of Labour's policies and their chances of forming the next government. Blunkett wrote; *"We have changed to prepare for a new century. We have revised our constitution, updated our policies, and developed a clear programme. Labour will renew and modernise our industry and economy. In the next century we must compete in a global market-place, with better skilled competitors in Asia and Europe. We will remove people from welfare to work, but we also want value for money. We make no promises we cannot deliver."* When he referred to 'our economy' he was making the cardinal

error of looking at the Nation as a whole, but he was merely mouthing the words of his leader. Blair talking of Labour's programme said ... *"it is to meet the needs of our people, and to rebuild Britain as one nation that our policies are designed."*

It is of course, not our economy, apart from the fact that we live in it. The economy, in the form of the means of wealth production and distribution, is owned by a small minority of people - the capitalist class. The only reason for renewing and modernising the economy is if capitalism is in or anticipating one of its boom periods, and then the capitalists themselves, are not slow in modernising their own industries, if at the end of the process they see the possibility of greater profits.

Both Blair and Blunkett seem to have little idea how capitalism works, and have not learned the lesson, that reform it as you will, its basic features of class ownership and commodity production will again bring any New Labour government to its knees, as it did to the governments of the old Labour party. We can confidentially state that the stakeholder society will leave the capitalist class secure in their position of power and privilege. For the worker, the best it can offer is work for a wage or salary. It is no substitute for a socialist society.

LOCAL GOVERNMENT AND THE LABOUR PARTY

The Socialist Part of Great Britain has always taken local government seriously. In our sixth principle we state that the working class must organise consciously and politically in order to gain political power. Political power resides in the institutions of government. Therefore socialist delegates must be voted into positions of power by a socialist majority so the machinery of government - police, army, etc. may be,

converted from an instrument of oppression into the agent of emancipation.

This is the political precondition for Socialism to be possible. The socialist political programme guarantees the socialist object.

The Labour Party has also taken local government seriously. It developed out of the tactics of the early Fabians who believed local authorities could be used for the purpose of social reforms. The Fabians, like the Labour Party now, rejected social revolution. They hoped piecemeal social reforms could be used to secure a cohesive and conflict-free society within Capitalism which they hoped would lay the foundations for a solution to unemployment, poverty, poor housing and other social problems facing the working class.

The Fabians' use of local authorities for the purpose of social reform was ridiculed by H.G. Wells in his **Misery of Boots** 1906 as "Gas and Water" Socialism but, of course, the conception of Socialism held by both the Fabians and H.G. Wells had nothing to do with the common ownership and democratic control of the means of producing and distributing social wealth.

Since 1906 the Labour Party has attempted to gain political power at local government level to continue the social reform policies of Fabian G B Shaw (see his Fabian tract '**Socialism**') and Sidney Webb (see his book **Socialism in England**.)

So whose approach to local government has been correct; the SPGB or the Labour Party? Social revolution or social reform? Superficially, the Labour Party has done well. It has managed to get local activists elected as councillors; it has secured local authorities under its political control; it has published reform policies to end racism, unemployment and poor housing; it has even managed to display gesture-signs. For example Watford Borough in which Labour is in control, is a Nuclear Free Zone! Similarly Sheffield City is a "Socialist Republic."

However, the Labour Party's attempt to use local authorities as a vehicle for social reforms to improve the lives of all local people has been an utter failure. We only have to point to the continuing violence, crime, drug abuse, poor education, high unemployment, racism and social deprivation of Inner City Labour-controlled councils to show the inability of local Labour politics to solve ingrained social problems stemming from Capitalism and a class-divided society. Labour councillors can promise solutions and draw up policies but cannot deliver. And it is no good blaming the Tories. All these problems existed under Labour, it

is capitalism that dictates the circumstances in which politicians work

Hertfordshire County Council, like many councils, know they cannot eradicate poverty. They are reduced to setting out "action plans", "anti-poverty strategies" and "initiatives" (**St Albans Observer**, 26 July 1996).

Chairman of the Policy Committee, Councillor John Metcalf said

"Actions do speak louder than words and this shows how seriously we intend to tackle the problems of poverty in Hertfordshire."

The aim of the country council's social reforms is to make sure people on low incomes are not disadvantages because they have less money than others. This is an old fallacy. You cannot have equality through the wages system. Marx explained it this way:

The cry for an equality of wages rests, ..., upon the mistake ... an insane wish never to be fulfilled ... Upon the basis of the wages system the value of labouring power is settled like that of every other commodity; and as different kinds of labouring power have different values, or require different quantities of labour for their production, they must fetch different prices on the labour market. To clamour for equal or even equitable redistribution on the basis of the wages system is the same as to clamour for freedom on the basis of the slavery system.

Wages, Prices and Profit, SW1, p426.

State charity, like charity per se, is degrading, an insult, patronising and has the ideological implications of giving lower paid workers the belief that their social problems can be resolved by throwing money at them. It may buy votes but it does not eradicate the social problems. Only establishing Socialism can do that. And Hertfordshire County Council is spending only £50,000 on its "anti-poverty initiatives" across the county, which, in itself, shows the pitiful weakness of politicians when they try to put "words" into "actions." The failure of Labour politics at local level stems from their inability to understand the reality of the local state under Capitalism, the relation of local authorities to central

government and the imperatives placed on governments in the administration of British Capitalism.

Local government has limited power. It is the creation of Parliament where effective political power resides and laws are passed. Local government structure is laid down by Parliament and local authorities may only exercise their power which Parliament either commands or permits them to exercise. Each area of local government - building control, planning, education, environmental health, social services, etc. is subjected to Central Government control, either directly through ministers, legal statutes or ministerial representatives - senior civil servants or district auditors. The effective political power of labour councillors within local government is limited and controlled. If the political power of local authorities becomes an impediment to central government then, as with the GLC, laws will be enacted to take that power away.

More importantly local authorities are part of the coercive machinery of government. Within local authorities, for example, the police are dovetailed into its administrative structures where government officers hold joint meetings with policemen to discuss law and order. At a broader level, integrated manoeuvres take place to deal with civil disturbance, war, crime and disasters.

The Marxian analysis of the state shows local authorities perpetuating existing relations of production. The local state is not a 'Service', not is it a 'local democracy'; not is it a philanthropic Robin Hood - distributing social wealth via the council tax, from rich to poor. The local state, instead is an institution of class power and class control.

The local authority has to be understood as part of the political defence of capitalist relations of production despite the 'welfare state' provisions ceded to it throughout the century. We live in a class divided society in which the primary division is drawn according to ownership and control of the means of production. Local authorities play a role in maintaining and reproducing capitalism as a class system. Local authorities, whether under Labour or Tory, SDP or the Green Party, express the power of the ruling class.

REPORT OF GENERAL SECRETARY TO SUMMER SCHOOL JUNE 1996

It was on the 11th June 1991 that some members of N.W. London and Camden (Bloomsbury) Branches met in this same room following our expulsion from the Clapham based Socialist Party. 16 members in all were present and it was unanimously agreed that we carry on Socialist propaganda on the basis of the Object and Declaration of Principles laid down by the SPGB in 1904. A long discussion took place on what name we should give our new organisation and a resolution that 'the provisional name be The Socialist Party of Great Britain' was carried.

A number of other matters were discussed at this meeting. It was decided to draw up a statement of our expulsion, and our reasons for the reconstitution of the SPGB, and that we continue with the publication of Socialist Studies, 2 issues of which had already been published by the 2 branches. And so the SPGB was launched again, after the original decision to form this party 87 years before.

MEMBERSHIP

I presume that most of us feel a little disappointed at our lack of growth in this area, which at present totals 30. Most hoped that some of the more enlightened members who had already resigned from the Clapham party would join us, and I should like to remind them, that we are still in business for applications. Many of them are with us 'in spirit' by the support they give at our meetings and the donations they make from time to time. We can certainly do with some young members, whose enthusiasm backed by their physical strength would we welcome. We have never subscribed to the so-called 'generation gap', so my message is that we need new members, new socialists. During these 5 years, 4 of our members have died. Hardy, Young, Laurie Franks and Roy Vicary from Plymouth who did a lot of work in that area. The first two are sorely missed with their talents for writing and speaking - not easily replaced. In the case of Laurie, owing to his disabilities he could not play an active part in the new organisation.

FINANCE

When we started, our funds comprised those held by the two branches. From early on, Clapham used all the tricks of the trade to shut down our bank accounts. They accused us of fraud, of obtaining money under false pretences, of failing to register with the Inland Revenue, and stooped even lower when they went to the Police concerning our alleged fraud. We have always held good collections at our meetings, and these, with a bequest from one of our opponents, plus literature and book sales have kept our finances in reasonable shape. Advertising and postal charges are a considerable item, and in the former case, a rather hit and miss affair, but we must keep on with this avenue as a means to widen our readership.

LITERATURE

In our 5 years we have published 17 issues of our journal. These issues have covered a wide range of subjects and I have received many letters from readers, expressing their appreciation of the contents. The task of publishing a full length pamphlet at the beginning was too daunting, but we successfully overcame this difficulty, by publishing separate sections under the heading 'Questions of the Day', to date 6 of these have been published, many of the individual titles having been re-printed. Our first major pamphlet - **Socialist Principles Explained** has sold nearly 500 copies as had our pamphlet **The Materialist Conception of History**, reprints of both have been made. Another extremely popular pamphlet is **'Banking and Credit Myths'** with a print run of 1,500. One member alone has sold over 500 copies in the square mile of the City of London to workers in Banks and other financial institutions. We have also produced leaflets for special events.

MEETINGS

Every year we have run a successful series of lectures and some debates. This, our 4th Summer School, and all our indoor meetings have been carried out with just a few speakers. Harry Young was our mainstay at outdoor meetings in Hyde Park, and although he will be missed, we have held some very good meetings there this year to audiences that come from all over the world. We have manned

literature stalls at Clapham Common for May Day rallies; at the annual Tolpuddle rally, and in addition a group of members attend Trade Union Conferences where we have been well received; so many people still remember the SPGB, (a more detailed report of our Summer activities will appear in the next issue.)

CLAPHAM AND THE SO-CALLED WORLD SOCIALIST MOVEMENT

One of the self-styled policy formers at Clapham stated at their Conference just after we were formed, that our life span would be about 2 years, and that we would collapse with internal disputes; we are still here much to his and their annoyance. Apart from their devious tactics concerning our finances, and their ability to persuade The Guardian not to accept our adverts under the name of the SPGB, they have acted as though we do not exist. Not once in the columns of their journal have they seen fit to challenge our allegations about their reformist tactics. We have kept the so-called Companion parties fully informed of what has taken place and they are sent our literature on a regular basis, but apart from some statements from the Secretary of the Socialist Party of Canada, not one has seen fit to challenge our stand. There is perhaps just one chink of light in the darkness. The Socialist Party of New Zealand have written us saying that they fully agree with our article on Reformism in Socialist Studies No. 18 where we attacked the Clapham Party's position on reforms.

In conclusion, it would be unfair of me to name members who have made an outstanding contribution to our 5 years of socialist activity; suffice it to say it has been a team effort, each contributing what we can, and so may it continue.

THE LABOUR PARTY AND THE MINIMUM WAGE

MINIMUM PAY OR ABOLITION OF THE WAGES SYSTEM?

At any time in the history of Capitalism there have been lots of people and organisations occupied in trying to solve wages problems like low pay. The difference between now and in the past being that the problems multiply and become more complex and the armies of 'solvers', politicians, business people, academics, trade union officials and so on grows larger and larger. There is not the slightest prospect of these people solving the problems.

Recently the Labour Party has made noises about introducing a National Minimum Wage through legislation if they were elected into political power.

According to The New Statesman & Society (21 June 1996), Labour set up two small groups to consider the national minimum wage yet no clear policy document has been put together or approved by Mr. Tony Blair.

Britain's biggest public sector trade union, Unison, has tried to pressure Labour's policy makers by voting at its annual conference for a minimum of £4.26 an hour. Unison claimed that if a Labour Government has not introduced a minimum wage legislation by the first year in power it would seek TUC backing to force the issue.

However, conference resolutions by a single union, the TUC or, indeed, the Labour Party itself, will not have much effect. It is the reality of British Capitalism and its problems which will be furthestmost in Tony Blair's mind, as a history of Labour governments' relationship with a minimum wage shows.

In 1918 the Labour Party published a report on Low Pay. It contained the following passage:

Meanwhile innumerable new private fortunes are being heaped up by those who have taken advantage of the nation's needs; and the one-tenth of the population who owns nine-tenths of the riches of the UK,

far from being made poorer, will find itself, in the aggregate, as a result of the war, drawing in rent and interest and dividends a larger nominal income than before.

(1918 Report, page 19)

So, in 1918 the Labour Party demanded a national minimum wage for everyone. It thought it has the support of "the enlightened statesmen and economists of the world." On August 18 1919, the Liberal Lloyd George government, supported by Labour, set up a commission "to inquire into the legal minimum time-rates of wages" but did not legislate.

Then on March 4 1924, when the first Labour government was in office, this Labour motion was carried:-

"In view of the practically universal acceptance of the principle that a living wage for all workers should be the first charge upon industry ... This House urges the government to proceed without delay with the Bill introduced by the government of the day in 1919, constituting a Commission to inquire into and report upon the legal minimum time-rates of wages."

The Labour government whole-heartedly accepted the principle of the resolution but pleaded pressure of business which would have to be cleared away before anything could be done. The opportunity did not arise before the Labour government was defeated and left office.

Nor was it done in the second Labour government, and when, on March 31 1931, Mr. Kirkwood asked the Minister of Labour - Miss M. Bondfield - if it was the intention of the Labour government to introduce legislation for a minimum wage in mining, steel, textile, engineering, agriculture and other industries and in the railway and other services, her reply was blunt: "No, Sir."

But under the last Labour government the legislation was in place. The very low paid workers were protected by the minimum wage legislation. Or were they? Those who accepted this belief did so under the impression that the law was effective.

In times of heavy unemployment many employers ignored the law and workers put up with it rather than losing their jobs. In the 1930s it was reckoned that as many as half the farmworkers were being paid less than the statutory minimum.

However, we only have to look at the information which came to light through the Low Pay Unit in 1977. Remember, it was a time when Labour was in power and the low pay legislation was intact. The Low Pay Unit found that a quarter of employers in the retail, catering and hairdressing industries were paying "illegally low wages" (Times 3 February 1978.) And the TUC found "Homeworkers receiving as little as £10 to £15 for a 30 or 40 hour week." (Evening Standard 26 January 1978.)

Among the employers were sub-contractors of H.M. Stationery Office, employing homeworkers on income tax work at rates of 12½ to 25p an hour (Daily Mail 3 February 1978.)

ABOLITION OF THE WAGES SYSTEM

Over a century ago Karl Marx urged the trade unions to go beyond the struggle for 'fair' wages and go for the abolition of the wages system; not, of course, as a tactic that could be operated in a capitalist social system, but as an integral part of the abolition of capitalism and its replacement by Socialism. Marx was being logical. The Socialism he envisaged involved "the abolition of buying and selling; of the bourgeois conditions of production" (**Communist Manifesto**) and it would obviously not be possible to abolish buying and selling generally and yet retain it in the form of the employer buying the worker's labour power and paying him wages for it.

In the late nineteenth century the idea of abolishing the wages system appeared to have become widely accepted in organisations making some claim to the Socialist. In 1890 the Social Democratic Federation and the Fabian Society both signed **The Manifesto of English Socialists** which contained the pledge "We look forward to an end forever to the wages system."

Among the individuals who signed on behalf of their organisations were Bernard Shaw and Sidney Webb, but before long most of the signatories forgot all about it and were busy joining the Labour Party, which devoted itself to the attempt to solve social problems including wage problems within capitalism. That attempt has, of course, been fruitless and the failure of a national minimum wage is just one example of this.

Marx foresaw that it would fail and explained why this was bound to happen. In one of his early writings he said:

What errors are committed by the advocates of piecemeal reform, who either want to raise wages and thereby improve the conditions of the working class or (like Proudhon) regard equality of wages as the aim of social revolution.

Quoted in McLellan's **Marx Before Marxism**. Pelican, p214

And he pinpointed the basic error of their approach to the problem in their belief that it is possible to retain the capitalist mode of production and superimpose on it a socialist principle of distribution. One place in which he explained this was in his notes on the 1875 constitution of the Germany Social-Democratic Party, published as **Critique of the Gotha Programme**.

In this he pointed out that 'vulgar socialism' has accepted as gospel from bourgeois economists that the problem of distribution can be considered and treated independently of the mode of production. From this it is inferred that socialism turns mainly on the question of distribution." Written long before the British Labour Party was formed, this might be a description of the muddled thinking that has always governed the actions of Labour in and out of political office.

They were to be the "high wage" party, constantly pushing wages up through minimum wage legislation, and through encouragement of trade unions in their claims.

Now they have difficulty putting any policy forward. They duck and dive. A policy appears and it disappears again. When pressed about

how a national minimum wage is to be enforced they dodge the question. When on BBC's Election Call a hairdresser repeatedly pressed Tony Blair on the number of employees she should sack when a Labour government introduced a national minimum wage, Blair had no answer.

As social reformers, Labour want to raise wages generally and, particularly, for the lowest paid, but when in government - trying to administer the profit system - they find, as did the last Labour government, they do all the things for which they denounced their opponents. One of their dilemmas is that capitalism requires that the workers shall be forced to work on terms that accept exploitation, that is, terms which enable the capitalists class to make a profit. But the national minimum wage would prevent some employers from making a profit.

The necessities of capitalism prevail over the 'good intentions' of the reformers and strengthen the socialist case for workers to organise consciously and politically to replace capitalism with Socialism. As Marx wrote at the end of **Value, Price and Profit**:

Instead of the conservative motto: 'A fair day's wage for a fair day's work' they ought to inscribe on their banner the revolutionary watchword
'Abolition of the wages system.'

SOCIALISTS DON'T NEED LEADERS

In his book '**Arguments for Revolutionary Socialism**', John Molyneux, one of the SWP's leading members, offers a justification for 'Revolutionary Leadership.'

... in the course of the revolutionary upheaval a revolutionary party is able to win the leadership of the masses then organise and centralise them for the seizure of power ... or the revolution will eventually be stifled and defeated (p120)

and

Revolutionary leadership is an art which involves the concrete assessment of every concrete situation - there are no universally valid rules. (p121)

Both these statements are arrogant nonsense and derive from the elitist doctrines of Lenin who believed workers could ever only achieve a 'trade union consciousness' (**What is to be Done?**) and that it would take them '1000 years to understand Socialism' (Quoted in **Ten Days That Shook the World**: J. Reed.)

Socialists agree with Karl Marx that workers are the only group who are going to establish Socialism. No one else is going to do it for them. This includes Benign academics, politicians and the professional revolutionaries of the SWP. Socialist ideas are well within the group of reasonable people.

The Socialist revolution will only be possible when a Socialist majority exists, understanding and actively desiring Socialism. The SWP reject this sound Marxism analysis, and their political objective will fail. You cannot get to Socialism on the basis of discontent, violence and mass strikes by a non-socialist working class.

According to Mr. Molyneux workers will not be in a position to understand concrete political situations, Why Not? It is only because the SWP went to lead a non-socialist majority; men and women intellectually and practically unfit for Socialism. They do not want to

bother with the hard and laborious task of building up a Socialist Movement based on knowledge. They want instead to lead the masses with a mental outlook made up of a whole bundle of conflicting beliefs and desires. A Socialist majority on the other hand, would democratically assess the revolutionary situation and instruct delegates accordingly.

This is the reason for an open and democratic political party. Not one which is closed, whose leaders hold their meetings in secret, and keep vital information from their membership and those they wish to lead.

A Socialist Party is a party of equals. If you are aiming for a society of free men and women making decisions for themselves the best place to gain this experience is in the socialist organisation itself.

A Socialist majority negates the need for anyone to do their thinking for them. A Socialist majority will not be stifled or defeated. It will be within their capabilities to organise for themselves. There does not need to be a social upheaval once a socialist majority gain control of the machinery of Government. Capitalist production can be smoothly switched to Socialist production.

Revolutionary leadership is the politics of Capitalism. It comes out of the needs of Capitalism to dominate and control others. It has nothing to do with Socialism. Socialism is for those capable for thinking for themselves.

The point now is to work towards getting a Socialist majority.

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Secretary C. May, 71 Ashbourne Court, Woodside Park Road,
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